Any party who fails to timely provide discovery requested by the opposing party to which it has not raised an objection, or who fails to respond to a Commission order for discovery material, may be deemed in default and an order may be entered in accordance with the allegations contained in the complaint, or the complaint may be dismissed with prejudice.

(f) Protective orders. In addition to the procedures contained in §76.9 of this part related to the protection of confidential material, the Commission may issue orders to protect the confidentiality of proprietary information required to be produced for resolution of leased access complaints. A protective order constitutes both an order of the Commission and an agreement between the party executing the protective order declaration and the party submitting the protected material. The Commission has full authority to fashion appropriate sanctions for violations of its protective orders, including but not limited to suspension or disbarment of attorneys from practice before the Commission, forfeitures, cease and desist orders, and denial of further access to confidential information in Commission proceedings.

(g) The cable operator or other respondent will have 30 days from the filing of the petition to file a response. To the extent that a cable operator expressly references and relies upon a document or documents in asserting a defense or responding to a material allegation, such document or documents shall be included as part of the response. If a leased access rate is disputed, the response must show that the rate charged is not higher than the maximum permitted rate for such leased access, and must be supported by the affidavit of a responsible company official. If, after a response is submitted, the staff finds a prima facie violation of our rules, the staff may require a respondent to produce additional information, or specify other procedures necessary for resolution of the proceeding.

(h)(1) The Media Bureau will resolve a leased access complaint within 90 days of the close of the pleading cycle.

(2) The Media Bureau, after consideration of the pleadings, may grant the

relief requested, in whole or in part, including, but not limited to ordering refunds, injunctive measures, or forfeitures pursuant 47 U.S.C. 503, denying the petition, or issuing a ruling on the petition or dispute.

(3) To be afforded relief, the petitioner must show by clear and convincing evidence that the cable operator has violated the Commission's leased access provisions in 47 U.S.C. 532 or §76.970, §76.971, or §76.972, or otherwise acted unreasonably or in bad faith in failing or refusing to make capacity available or to charge lawful rates for such capacity to an unaffiliated leased access programmer.

(4) As part of the remedy phase of the leased access complaint process, the Media Bureau will have discretion to request that the parties file their best and final offer for the prices, terms, or conditions in dispute. The Commission will have the discretion to adopt one of the proposals or choose to fashion its own remedy.

(i) During the pendency of a dispute, a party seeking to lease channel capacity for commercial purposes, shall comply with the rates, terms and conditions prescribed by the cable operator, subject to refund or other appropriate remedy.

[58 FR 29753, May 21, 1993, as amended at 62 FR 11382, Mar. 12, 1997; 73 FR 10692, Feb. 28, 2008]

EFFECTIVE DATE NOTE: At 73 FR 10692, Feb. 28, 2008, in §76.975, paragraphs (b) through (g) were revised, paragraph (h) was redesignated as paragraph (i) and a new paragraph (h) was added. Paragraphs (d), (e),(g), and (h)(4) of this section, which contain information collection and recordkeeping requirements, and paragraphs (b), (c), and (f), which contains requirements related to those information collection requirements, will not become effective until approval has been given by the Office of Management and Budget.

§ 76.977 Minority and educational programming used in lieu of designated commercial leased access capacity.

(a) A cable operator required by this section to designate channel capacity for commercial use pursuant to 47 U.S.C. 532, may use any such channel capacity for the provision of programming from a qualified minority programming source or from any qualified

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educational programming sources, whether or not such source is affiliated with cable operator. The channel capacity used to provide programming from a qualified minority programming source or from any qualified educational programming source pursuant to this section may not exceed 33 percent of the channel capacity designated pursuant to 47 U.S.C. 532 and must be located on a tier with more than 50 percent subscriber penetration.

- (b) For purposes of this section, a qualified minority programming source is a programming source that devotes substantially all of its programming to coverage of minority viewpoints, or to programming directed at members of minority groups, and which is over 50 percent minority-owned.
- (c) For purposes of this section, a qualified educational programming source is a programming source that devotes substantially all of its programming to educational or instructional programming that promotes public understanding of mathematics, the sciences, the humanities, or the arts and has a documented annual expenditure on programming exceeding \$15 million. The annual expenditure on programming means all annual costs incurred by the programming source to produce or acquire programs which are scheduled to be televised, and specifically excludes marketing, promotion, satellite transmission and operational costs, and general administrative costs
- (d) For purposes of paragraphs (b) and (c) of this section, *substantially all* means that 90% or more of the programming offered must be devoted to minority or educational purposes, as defined in paragraphs (b) and (c) of this section, respectively.
- (e) For purposes of paragraph (b) of this section, "minority" is defined as in 47 U.S.C. 309(i)(3)(c)(ii) to include Blacks, Hispanics, American Indians, Alaska Natives, Asians and Pacific Islanders.

[58 FR 29753, May 21, 1993, as amended at 62 FR 11382. Mar. 12, 1997]

§ 76.978 Leased access annual reporting requirement.

(a) Each cable system shall submit a Leased Access Annual Report with the Commission on a calendar year basis, no later than April 30th following the close of each calendar year, which provides the following information for the calendar year:

- (1) The number of commercial leased access channels provided by the cable system.
- (2) The channel number and tier applicable to each commercial leased access channel.
- (3) The rates the cable system charges for full-time and part-time leased access on each leased access channel
- (4) The cable system's calculated maximum commercial leased access rate and actual rates.
- (5) The programmers using each commercial leased access channel and whether each programmer is using the channel on a full-time or part-time basis.
- (6) The number of requests received for information pertaining to commercial leased access and the number of bona fide proposals received for commercial leased access.
- (7) Whether the cable system has denied any requests for commercial leased access and, if so, with an explanation of the basis for the denial.
- (8) Whether a complaint has been filed against the cable system with the Commission or a Federal district court regarding a commercial leased access dispute.
- (9) Whether any entity has sought arbitration with the cable system regarding a commercial leased access dispute.
- (10) The extent to which and for what purposes the cable system uses commercial leased access channels for its own purposes.
- (11) The extent to which the cable system impose different rates, terms, or conditions on commercial leased access programmers (such as with respect to security deposits, insurance, or termination provisions) with an explanation of any differences.
- (12) A list and description of any instances of the cable system requiring an existing programmer to move to another channel or tier.